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No. 99-1571

In the Supreme Court of the United States

TRAFFIX DEVICES, INC., PETITIONER

v.

MARKETING DISPLAYS, INC.

ON WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE SIXTH CIRCUIT

BRIEF FOR THE UNITED STATES AS AMICUS CURIAE SUPPORTING PETITIONER

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QUESTION PRESENTED

Whether and to what extent a party may maintain a trade dress infringement action under the Lanham Act, 15 U.S.C. 1051-1127 (1994 & Supp. IV 1998), to challenge the copying of product features after a utility patent covering the features has expired.

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INTEREST OF THE UNITED STATES

The United States has a strong interest in protecting the pro-inventive policies of the patent system, as well as the procompetitive policies of the trademark and antitrust laws. In addition, the United States Patent and Trademark Office must determine the registrability of proposed trademarks, including product designs claimed as trade dress.

STATEMENT

1. This Nation's patent laws have long represented a "carefully crafted bargain for encouraging the creation and disclosure of new, useful, and non-obvious advances in technology." *Bonito Boats, Inc.* v. *Thunder Craft Boats, Inc.*, 489 U.S. 141, 146, 150-151 (1989). To encourage innovation, the inventor of a new and useful advance is given "the exclusive right to practice the invention for a period of years." *Id.* at 151. In exchange, the inventor must disclose how to make the invention, 35 U.S.C. 112, so that, after the patent expires, "the knowledge of the invention enures to the people, who are thus enabled without restriction to practice it and profit by its use." *United States* v. *Dubilier Condenser Corp.*, 289 U.S. 178, 187 (1933).

The Trademark Act of 1946 (the Lanham Act), ch. 540, 60 Stat. 427, as amended, 15 U.S.C. 1051 *et seq.*, provides a federal system for the registration, protection, and regulation of trademarks, which the Act defines as "any word, name, symbol, or device, or any combination thereof [used or intended to be used] to identify and distinguish [a producer's] goods * * * from those manufactured or sold by others." 15 U.S.C. 1127. The term trademark extends to "trade dress," which has come to include not only a product's packaging but also its "total image and overall appearance" if those serve to identify the producer. *Two Pesos, Inc.* v. *Taco Cabana, Inc.*, 505 U.S. 763, 764 n.1 (1992); *Wal-Mart Stores, Inc.* v. *Samara Bros.*, 120 S. Ct. 1339, 1343 (2000). By regis-

tering an eligible mark with the United States Patent and Trademark Office, a person may obtain the exclusive right to use that mark. 15 U.S.C. 1114 (1994 & Supp. IV 1998). Section 43(a) of the Lanham Act, 15 U.S.C. 1125(a), also extends protection to unregistered marks, creating a cause of action against anyone who uses in commerce "any word, term, name, symbol, or device, or any combination thereof" that "is likely to cause confusion * * * as to the origin * * * of his or her goods." 15 U.S.C. 1125(a).

Unlike patent law, the Lanham Act is not designed to encourage invention. Instead, it helps consumers identify the source of goods. "[B]y preventing others from copying a source-identifying mark," the Act "reduce[s] the customer's costs of * * * purchasing decisions" because the appearance of a mark on an item "quickly and easily assures a potential customer that" the item "is made by the same producer as other similarly marked items that he or she liked (or disliked) in the past." *Qualitex Co.* v. *Jacobson Prods. Co.*, 514 U.S. 159, 163-164 (1995) (internal quotation marks omitted). Protecting trademarks also encourages product quality, because it "helps assure a producer that it (and not an imitating competitor) will reap the financial, reputation-related rewards associated with a desirable product." *Id.* at 164.

2. Respondent manufactures and sells portable, spring-mounted, wind-resistant stands for traffic signs under the WINDMASTER trademark. Pet. App. 2a, 26a. In 1972, respondent's president obtained two utility patents (Nos. 3,662,482 and 3,646,696, hereinafter the '482 and '696 patents) on a sign display device. The patented device consists of an unanchored base to which "two spaced apart" upright spring connections of specified rigidity are mounted; those springs are attached to an upright bar or member, which supports the sign to be displayed. 971 F. Supp. at 277 (photo); '482 Patent at 4 (claim 1). The springs permit the sign to yield to the wind and thus make it less susceptible to tipping over. The use of two springs prevents the sign from

"twisting" on its frame. Pet. App. 2a, 18a; '482 Patent at 1 (summary), 5 (claim 1).

Shortly after respondent's patents expired, petitioner reverse engineered the WINDMASTER sign and began selling its own version. Pet. App. 3a. Petitioner also improved on the design, creating and patenting a "quick release" mechanism. J.A. 253. The TrafFix Devices brand name appears on all of petitioner's stands. *Ibid.*

Respondent filed this trade dress infringement action under the Lanham Act, seeking to preclude petitioner from using its design.[1] Respondent claimed that the *design* of its sign—consisting of "(a) a relatively narrow base member; (b) a pair of vertically arranged closely spaced coil springs attached to the base member; (c) a plurality of leg members attached to the base member * * *; (d) an upright member attached to the coil springs; and (e) a sign attached to the upright member"—is trade dress that identifies the sign as made by respondent. Pet. App. 29a. The district court observed that respondent was required to prove, among other things, that "the appropriated features of the trade dress are primarily non-functional." *Id.* at 32a, 48a. The court, however, found that "the only significant distinction in appearance" between respondent's stand and those of its competitors "is the vertical dual-spring design or configuration," since each of the competing stands "includes the other four features." *Id.* at 48a.

Focusing on the dual-spring design, the district court concluded that respondent could not show that its alleged trade dress was "primarily non-functional." Pet. App. 46a-55a. The court observed that, in patent enforcement litigation, respondent had asserted that the dual-spring mecha-

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[1] Respondent also sought to enjoin petitioner from using the name WINDBUSTER because it was similar to respondent's WINDMASTER mark. The district court granted the injunction, Pet. App. 68a-93a, the court of appeals affirmed, *id.* at 4a-12a, and petitioner did not seek further review.

nism enables the sign "to be stable against tipping under high wind conditions" by permitting it "to deflect in a direction along the longitudinal axis" while preventing the sign from "twisting." *Id.* at 50a-51a. The court found that the "utility patents are especially strong evidence of the usefulness of the dual-spring design." *Id.* at 55a.

3. The court of appeals reversed in relevant part. Pet. App. 1a-24a. The court agreed that the "two spaced apart spring connections" enable the sign to yield to the wind while "prevent[ing] twisting of the sign frame." *Id.* at 18a. And the court noted that federal courts are divided on the extent to which an expired utility patent "forecloses trade dress protection." *Ibid.* The court concluded, however, that "[s]o long as it is possible to protect the appearance" of the sign stand "without protecting the design, a per se rule is not necessary." *Id.* at 19a.

In this case, the court of appeals suggested, it might be possible to protect respondent's trade dress without foreclosing use of vertically arranged coil springs. Any competitor who uses dual coil springs, the court stated, could be required to use leg members other than the straight ones used by respondent (such as "U-shaped" leg members) or "other uprights (twin poles, A-shaped, etc.)" to "create an entirely different look altogether." Pet. App. 19a. "It takes little imagination," the court continued, "to conceive of a hidden dual-spring mechanism or a tri or quad-spring mechanism." *Ibid.* The court also stated that "other competitors * * * avoid emulating" respondent's trade dress by not using the dual spring design; petitioner must do likewise, the court stated, or "find *some other way* to set its sign apart to avoid infringing [respondent's] trade dress." *Id.* at 20a.

The court of appeals rejected the district court's conclusion that protecting respondent's stand design as trade dress "would put its competitors at a disadvantage beyond the merely reputational," even though the district court had found the design to be one of a limited number of superior

designs. Pet. App. 20a; *id.* at 53a. "The appropriate question," the court stated, "is whether the particular product configuration is a competitive necessity." *Id.* at 20a. Here, the court indicated, respondent's design may not be a competitive necessity. *Id.* at 20a-21a. Although the equally effective competing designs are patented, the court suggested that petitioner "could come up with its own design, or license one of the outstanding patents, or use the dual-spring design in a way that does not infringe [respondent's] trade dress." *Id.* at 21a.

SUMMARY OF ARGUMENT

In enacting the Lanham Act in 1946, Congress acted against a legal background that featured two related and well-established principles. First was the principle that, under federal patent law, utilitarian conceptions "placed before the public without the protection of a valid patent" are in the public domain and thus "subject to appropriation without significant restraint." *Bonito Boats*, 489 U.S. at 156. The second was the "functionality" doctrine of trademark law, which bars utilitarian features—*i.e.*, features that affect the goods' "purpose, action, or performance, or the facility or economy of processing, handling, or us[e]"—from being withdrawn from the public domain as trade dress. Restatement of Torts § 741(b)(ii), at 623, § 742, at 628-629 & cmt. a (1938) (1938 Restatement); see also *Qualitex*, 514 U.S. at 164.

In our view, the functionality doctrine—properly construed in light of its important role in ensuring that useful features are withdrawn from the public domain only pursuant to valid (and temporally finite) patents—precludes respondent's trade dress claim. Where, as here, an expired utility patent discloses that the feature alleged as trade dress contributes to the operation of the formerly patented device, the feature must be considered "functional" for purposes of the Lanham Act and thus ineligible for trade dress protection. That conclusion is consistent with this Court's

repeated recognition that patent law accords the public the right to copy utilitarian conceptions in expired patents, and serves the interests of judicial economy. Looking to the scope of the patent claims will often permit courts to determine the functionality of features in expired patents without resort to extensive proceedings or difficult and nuanced tests. Such a clear standard is necessary to ensure that trade dress litigation— or the threat thereof—does not undermine the substantive goal of patent law, which is to ensure that unpatented innovations may serve as building blocks for further advances.

ARGUMENT

TRADE DRESS PROTECTION DOES NOT EXTEND TO UTILITARIAN FEATURES SHOWN TO BE FUNCTIONAL BY AN EXPIRED UTILITY PATENT

The Lanham Act seeks "to codify and unify the common law of unfair competition and trademark protection." *Inwood Labs.* v. *Ives Labs.*, 456 U.S. 844, 861 n.2 (1982) (White, J., concurring); *Two Pesos*, 505 U.S. at 785 (Thomas, J., concurring).[2] In particular, Section 43(a) of the Lanham Act prohibits competitors from using a trademark or trade dress that is "likely to cause confusion * * * as to the origin" of goods. 15 U.S.C. 1125(a). In enacting the Lanham Act, Congress acted against a background of (and incorporated) two related and well-established principles: first, the long-standing rule that, under federal patent law, publicly disclosed utilitarian conceptions unprotected by patent are in the public domain to be exploited and used as building blocks for further innovation by all; and second, the traditional functionality doctrine, which ensures that trademark protection does not interfere with competition, and which helps define the separate domains of patent and trademark law by preventing the latter from withdrawing useful conceptions from the public domain in perpetuity.

[2] The Lanham Act consolidated the 1905 Trademark Act and other "scattered" trademark laws into one statute. S. Rep. No. 1333, 79th Cong., 2d Sess. 3, 5 (1946). The Act's legislative history noted that "[t]here is much that is good" under present law and expressed an intent to "preserve[] the things which have demonstrated their usefulness." *Id.* at 3. At the same time, Congress did alter some common law rules "to 'dispense with mere technical prohibitions,'" *Qualitex*, 514 U.S. at 171 (quoting S. Rep. 1333, *supra*, at 3), such as by permitting registration of descriptive marks (if they have acquired secondary meaning), *ibid.* Where Congress altered existing law, however, it did so explicitly. See, *e.g.*, *ibid.*

In our view, the functionality doctrine resolves this case. Although that doctrine is sometimes difficult to apply, its application is not difficult in cases like this one. In particular, where an expired utility patent shows that the features alleged as trade dress contribute to the operation of the claimed invention, those features must be considered "functional" and thus ineligible for Lanham Act protection. The contrary conclusion would abridge the fundamental patent-law principle that utilitarian conceptions unprotected by patent are in the public domain and may be copied by all.

A. Patent And Trademark Law Guarantee The Right To Copy Publicly Disclosed Utilitarian Product Designs Not Protected By Patent

1. Patent law represents a carefully calibrated balance between the need to encourage "the creation and disclosure of new, useful, and non-obvious advances in technology," *Bonito Boats*, 489 U.S. at 151, and the "ultimate goal" of ensuring that those advances eventually enter the public domain for public use and benefit, *id.* at 151, 157. Accordingly, although patent law gives inventors "the exclusive right to practice the invention for a period of years," *id.* at 151, it conditions that grant on disclosure of how to make the invention, so that "the knowledge of the invention enures to the people, who are thus enabled without restriction to practice it and profit by its use" once the patent expires. *Dubilier Condenser Corp.*, 289 U.S. at 186-187. See also Patent Act of 1790, ch. 7, 1 Stat. 110 (requiring disclosure of how to

"make, construct, or use the" invention "to the end that the public may have full benefit thereof, after the expiration of the patent term"). Thus, "bring[ing] new designs and technologies into the public domain" is "the ultimate goal of the patent system," *Bonito Boats*, 489 U.S. at 151.

To achieve that end, patent law has long required that unpatented utilitarian conceptions, once publicly disclosed, be available for public use notwithstanding other claims to protection. See *Bonito Boats*, 489 U.S. at 157. Indeed, the effectiveness of patent law in encouraging significant advances over prior art, and disclosure of those advances, depends "almost entirely on a backdrop of free competition in the exploitation of unpatented designs and innovations." *Id.* at 151. It is fundamental that unpatented utilitarian conceptions be available "as the building blocks of further innovation." *Ibid.* Thus, "the efficient operation of the federal patent system depends upon substantially free trade in publicly known, unpatented design and utilitarian conceptions." *Id.* at 156.

Concomitantly, this Court has consistently recognized that the expiration of a patent affords the public a virtually unrestricted right to copy the invention. Thus, in 1896, this Court rejected a claim of unfair competition based on the similarity of two designs, declaring:

> [O]n the expiration of a patent * * * the right to make the thing formerly covered by the patent becomes public property * * * [and] there passes to the public the right to make the machine in the form in which it was constructed during the patent.

Singer Mfg. Co. v. *June Mfg. Co.*, 163 U.S. 169, 185 (1896). See also *Coats* v. *Merrick Thread Co.*, 149 U.S. 562, 572 (1893) (patentees could not, under trademark law, "claim a monopoly" on the design "beyond the life of the patent"); *Kellogg Co.* v. *National Biscuit Co.*, 305 U.S. 111, 119-120 (1938) (concluding that, "upon expiration of the patent[], the form" of the product "was dedicated to the public").

After the Lanham Act was enacted in 1946, this Court adhered to that rule, invalidating state laws that attempted to grant exclusive rights in utilitarian features that, as a matter of patent law, are in the public domain. In *Sears, Roebuck & Co.* v. *Stiffel Co.*, 376 U.S. 225 (1964), for example, the Court held state unfair competition law to be pre-empted insofar as it purported to bar one company from copying and selling nearly exact copies of an unpatented lamp design created and popularized by another. Competitors, the Court declared, "had every right" to engage in such copying and selling "under the federal patent laws." *Id.* at 231. The Court reached the identical conclusion in *Compco Corp.* v. *Day-Brite Lighting, Inc.*, 376 U.S. 234, 237 (1964).

More recently, in *Bonito Boats*, this Court invalidated a Florida law that barred the copying of an unpatented boat hull design. "[W]e have consistently reiterated the teaching of *Sears* and *Compco*," the Court stated, "that ideas once placed before the public without the protection of a valid patent are subject to appropriation without significant restraint." 489 U.S. at 156. The Court also rejected the assertion that patent law says "nothing about the right to copy or the right to use." *Id.* at 164. "For almost 100 years," the Court explained, "it has been well established that in the case of an expired patent, the federal patent laws *do* create a federal right to 'copy and to use.'" *Id.* at 165.

2. The rule that unpatented utilitarian conceptions cannot be withdrawn from the public domain—and are freely available for all to copy, refine, and use—has long been a feature of substantive trademark and unfair competition law as well. The common law accomplished that goal (and ensured that trademarks would not inhibit robust competition) through a sharp distinction between the *trademark* (used to identify the source) on the one hand and the *product* or its *packaging* on the other. "[I]t was long the rule that a trademark must be something other than, and separate from, the merchandise to which it is applied." *In re Morton-Norwich*

Prods., 671 F.2d 1332, 1336 (C.C.P.A. 1982); W. McLean, *Opening Another Can of Worms: Protecting Product Configuration as Trade Dress*, 66 U. Cin. L. Rev. 119, 122 (1997). As courts began protecting product packaging and later product designs as trade dress, however, they employed the doctrine of "utilitarian functionality" to those same ends, *i.e.*, to protect competition and "accommodate trade dress law to the policies of patent law." 1 J. McCarthy, *Trademarks and Unfair Competition* § 7.63, at 7-137 (4th ed. 2000).

Under the functionality doctrine, a product feature may be protected as trade dress if it primarily serves to designate the producer. If the feature is functional in a utilitarian sense, however, it cannot be protected except by patent. The 1938 Restatement of Torts (§ 741(b)(ii), at 623 & 628, cmt. j) thus observed that, so long as proper labeling is employed, the copying of functional features—even those that have acquired meaning as "an indication of the source"—is permitted. A feature is considered functional, the Restatement explained, if it "affects [the goods'] purpose, action, or performance, or the facility or economy of processing, handling, or us[e]." *Id.* § 742, at 628-629 & cmt. a. Thus, functionality traditionally has depended on "practical, engineering-type considerations such as making the product work more efficiently, with fewer parts and longer life, or with less danger to operators, or be shaped so as to reduce expenses of delivery or damage in shipping." 1 McCarthy, *supra*, § 7:64, at 7-140 to 7-141.

Consistent with its origins, the functionality doctrine has long served—in addition to and in congruity with its role of protecting competition—a specific purpose of keeping the domains of patent and trademark law distinct. It ensures that, if "there is to be an exclusive right for functional features, such protection can only be gained by utility patent protection limited in time, not perpetual protection under trademark law." 1 McCarthy, *supra*, § 7:64, at 7-141. As one court explained in 1911:

> If one manufacturer should make an advance in effectiveness of operation, or in simplicity of form, or in utility of color; and if that advance did not entitle him to a monopoly by means of a * * * patent; and if by means of unfair trade suits he could shut out other manufacturers [from] the benefits of the unpatented utilities, * * * he would be given gratuitously a monopoly more effective than that of the unobtainable patent in the ratio of eternity to 17 years.

Pope Automatic Merchandising v. *McCrum-Howell Co.*, 191 F. 979, 981-982 (7th Cir. 1911), cert. denied, 223 U.S. 730 (1912). Before the Lanham Act was enacted, courts regularly invoked functionality to ensure that trademark and unfair competition law would not intrude on the principles of patent law by withdrawing from the public domain those useful conceptions that patent law renders *publici juris*.[3] This Court, indeed, employed functionality to that very end more than 60 years ago, rejecting efforts to assert trade dress rights in the shape of a product after expiration of the patent. *Kellogg*, 305 U.S. at 122 (rejecting unfair competition claim based on copying of "pillow-shaped" shredded wheat biscuit); see *Qualitex*, 514 U.S. at 165.

Although the Lanham Act did not explicitly mention functionality until 1998, see pp. 24 n.11, 29, *infra*, federal courts understood that the doctrine limits the scope of protection available under that Act—ensuring that trademark law does not intrude on the domain of patent law—long before. See 1 McCarthy, *supra*, § 7.63, at 7-137. See, *e.g.*, *Sylvania Elec. Prods.* v. *Dura Elec. Lamp Co.*, 247 F.2d 730,

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[3] See, *e.g.*, *In re National Stone-Tile Corp.*, 57 F.2d 382, 383 (C.C.P.A. 1932); *Goodyear Tire & Rubber Co.* v. *Robertson*, 18 F.2d 639, 641 (D. Md. 1927), aff'd, 25 F.2d 833, 834 (4th Cir. 1928); *U.S. Elec. Mfg. Corp.* v. *Bright Star Battery Co.*, 6 N.Y.S.2d 690, 691 (1938); *James Heddon's Sons* v. *Millsite Steel & Wire Works, Inc.*, 128 F.2d 6, 13 (6th Cir.), cert. denied, 317 U.S. 674 (1942); *J.C. Penney Co.* v. *H.D. Lee Mercantile Co.*, 120 F.2d 949 (8th Cir. 1941); *In re Dennison Mfg. Co.*, 39 F.2d 720 (C.C.P.A. 1930).

732 (3d Cir. 1957) (purpose of rule is "obviously to prevent the grant of perpetual monopoly by * * * trade-mark in the situation where a patent has either expired, or * * * cannot be granted"); *Elmer* v. *ICC Fabricating, Inc.*, 67 F.3d 1571, 1580 (Fed. Cir. 1995) ("[P]atent law, not trade dress law, is the principal means for providing exclusive rights in useful product features."). This Court too recognized the importance of that doctrine under the Lanham Act well before the term "functionality" appeared in it. See, *e.g.*, *Inwood Labs.*, 456 U.S. at 850 n.10. In 1995, the Court explained:

> The functionality doctrine prevents trademark law * * * [from] inhibiting legitimate competition by allowing a producer to control a useful product feature. It is the province of patent law, not trademark law, to encourage invention by granting inventors a monopoly over new product designs or functions for a limited time, 35 U.S.C. §§ 154, 173, after which competitors are free to use the innovation. If a product's functional features could be used as trademarks, however, a monopoly over such features could be obtained without regard to whether they qualify as patents and could be extended forever (because trademarks may be renewed in perpetuity).

Qualitex, 514 U.S. at 164-165.

B. Features Disclosed To Have Utility In An Expired Patent Are Not Protected As Trade Dress Under The Lanham Act

Although functionality analysis is sometimes difficult to apply, see McLean, *supra*, at 125; 1 McCarthy, *supra*, § 7:67, at 7-147, in the context of an expired utility patent its application is often straightforward. Where, as here, the expired patent includes as part of the claimed invention the feature alleged to be trade dress, or the patent's specifications or enforcement otherwise show that the feature contributes to the device's operation, it must be considered "functional" under the Lanham Act and thus ineligible for trade dress

protection. In other words, assertions of utility within the scope of the patent should be dispositive as to functionality. That conclusion follows from the purpose and traditional definition of functionality; ensures consistency and conformity with patent-law principles; and serves important policy interests.

1. The functionality doctrine serves to prevent one producer from obtaining control over "a useful product feature" under trademark law, because the exclusive right to such a feature must be obtained, if at all, only for a limited time under patent law. *Qualitex*, 514 U.S. at 164. In our view, the assertion that a feature has utility in the scope of a patent—*i.e.*, a patent claim or specification indicating that the feature contributes to the operation of the patented device—is ordinarily dispositive evidence that the feature is "useful" and thus can be protected only by patent. Traditionally (and at the time the Lanham Act was passed), a feature has been considered functional if it "affects [the device's] purpose, action, or performance, or the facility or economy of processing, handling, or us[e]," 1938 Restatement § 742, at 628-629 & cmt. a, or if it influences "cost or quality," *Qualitex*, 514 U.S. at 165, 169. Where the feature is claimed as part of the patented device, or the patent otherwise shows the feature's usefulness in the scope of the device, the feature necessarily meets that definition. Indeed, since the requirements for patent protection (such as the requirement of a significant advance over prior art, 35 U.S.C. 102, 103 (1994 & Supp. IV 1998)) are more demanding than the test of functionality (even small advances may be functional), a patent claim for a feature generally makes functionality an *a fortiori* conclusion. For the same reason, such a feature is also "essential to the use or purpose" of the invention. See *Qualitex*, 514 U.S. at 165, 169. Without the feature, the invention would not operate the same way (or perhaps at all).

Accordingly, courts have often recognized that a patent "disclosing the primary functional significance of [a] config-

uration" claimed as trade dress "incontrovertably establishes primary functionality" and "suffices" to justify summary judgment. *Best Lock Corp.* v. *Schlage Lock Co.*, 413 F.2d 1195, 1199 (C.C.P.A. 1969); *In re Shanango Ceramics, Inc.*, 362 F.2d 287, 291 (C.C.P.A. 1966) (similar); *Disc Golf Ass'n* v. *Champion Discs, Inc.*, 158 F.3d 1002, 1006 (9th Cir. 1998) ("expired utility patent is weighty evidence of functionality"); Restatement (Third) Unfair Competition § 17, at 174, cmt. b (1995) ("particularly persuasive evidence of functionality"); 1 McCarthy, *supra*, § 7:89, at 7-224 ("a valid functional patent disclosing the utilitarian advantages" of the feature "is very strong, if not conclusive, evidence of [its] functionality"). Some courts have concluded that a "kind of estoppel" arises, precluding patentees from arguing "that a shape is functionally advantageous in order to obtain a utility patent [but] later assert[ing] that the same shape is nonfunctional in order to obtain trademark protection." *Disc Golf*, 158 F.3d at 1008 (quoting 1 McCarthy, *supra* § 7:89, at 7-208).

Of course, mere mention of a feature in a patent does not necessarily establish functionality, since "many nonfunctional shapes and configurations happen to be described or pictured as an incidental detail in functional patents." 1 McCarthy, *supra*, § 7:89, at 7-227; *Best Lock*, 413 F.2d at 1199 ("patent may not be evidence of functionality in regard to" arbitrary features "disclosed in the patent but which are not attributed any functional significance"). But where careful examination reveals that the feature is a utilitarian part of the patented invention, the patent is irrefutable evidence of functionality. See *Disc Golf*, 158 F.3d at 1006; 1 McCarthy, *supra*, § 7:89, at 7-227.

That was settled trademark law before the Lanham Act was passed. In *Sparklets Corp.* v. *Walter Kidde Sales Co.*, 104 F.2d 396, 399 (C.C.P.A. 1939), for example, the court rejected a trade dress claim for a "groove" included in the product because an expired patent made it "perfectly evi-

dent that the groove was at least believed by the patentee to have utility at the time of making application," leaving the court "unable to escape the conclusion that the groove as an entity possessed utility and, for that reason * * * is not a proper subject for registration as a trade-mark." Other courts repeatedly reached similar conclusions. See *J.A. Scriven Co.* v. *W.H. Towles Mfg. Co.*, 32 App. D.C. 321 (1909); *Daniel* v. *Electric Hose & Rubber Co.*, 231 F. 827, 834 (3d Cir. 1916). There is every reason to believe that the Lanham Act—an effort "to codify and unify the common law of unfair competition and trademark protection," see p. 6 & n.2, *supra*—was designed to incorporate (or at least not intended to repudiate) that pre-existing principle. See *Astoria Fed. Sav. & Loan Ass'n* v. *Solimino*, 501 U.S. 104, 108 (1991) (courts presume Congress "has legislated with an expectation that" well-established principles "will apply except when a statutory purpose to the contrary is evident") (internal quotation marks omitted). The United States Patent and Trademark Office (USPTO) also views claims of utility in an expired utility patent as generally fatal to efforts to register a feature as a trademark, even though it formally employs a four-factor test.[4]

2. That approach is necessary to ensure that trade dress protection under the Lanham Act does not provide perpetual protection for unpatented utilitarian conceptions that, as a

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[4] The USPTO looks to the factors identified in *Morton-Norwich*, 671 F.2d at 1341, as required by the Federal Circuit and its predecessor courts. See Trademark Manual of Examining Procedure § 1202.03(a)(iii) (2nd ed. 1993, rev. ed. 1997). The factors are (1) "the existence of an expired utility patent which disclosed the *utilitarian advantage of the design* sought to be registered as a trademark;" (2) whether the inventor "touts its utilitarian advantages through advertising;" (3) whether "there are other alternatives available;" and (4) whether "a particular design results from a comparatively simple or cheap method of manufacturing the article." 671 F.2d at 1341. Accord *Disc Golf*, 158 F.3d at 1006 (similar test). In cases like this one, where an expired utility patent exists, the first *Morton-Norwich* factor is almost always dispositive.

matter of patent law, are in the public domain. See *Zip Dee, Inc.* v. *Dometic Corp.*, 931 F. Supp. 602, 611 (N.D. Ill. 1996) ("the policies underlying patent law dictate the denial of trademark protection to a product configuration that has been claimed as part of a utility patent * * * if the configuration is functional within the context of the utility patent"); *Vornado Air Circulation Sys.* v. *Duracraft Corp.*, 58 F.3d 1498, 1510 (10th Cir. 1995) ("[W]here a disputed product configuration is * * * a described, significant inventive aspect of" the invention claimed in the expired patent, "patent law prevents its protection as trade dress."), cert. denied, 516 U.S. 1067 (1996). Indeed, as this Court has observed, any law that withdraws utilitarian features from the public domain may "conflict with the very purpose of the patent laws by decreasing the range of ideas available as the building blocks of further innovation." *Bonito Boats*, 489 U.S. at 151. Protecting the operational features disclosed in expired utility patents would certainly have that effect. It is, after all, "no great trick to build up secondary meaning in a product configuration if [competitors] are kept from utilizing that configuration for 17 years by the sword and shield of patent protection." *Zip Dee*, 931 F. Supp. at 615. Consequently, protecting features shown to be functional by an expired patent as trade dress would convert patents into a "springboard for converting a legislatively-created" limited-duration patent "monopoly into a court-enforced permanent monopoly" under the Lanham Act—"an impermissible" intrusion on the patent-law goal of placing publicly disclosed inventions in the public domain. *Ibid.*; see *Vornado*, 58 F.3d at 1508 ("the inventor's supply of ideas itself and freedom to experiment with them" would be diminished by such trade dress protection). Indeed, respondent's design here served as a building block for petitioner's now-patented quick-release mechanism. J.A. 252-253.

More fundamentally, this Court has held that, "in the case of an expired patent," patent law creates not only "a federal

right to 'copy and to use,'" *Bonito Boats*, 489 U.S. at '65, but also "the right to make [the article] in the form in which it was constructed during the patent" notwithstanding a claim to trade dress protection, *Singer Mfg. Co.*, 163 U.S. at 185. See also *Kellogg Co.*, 305 U.S. at 122; *Sears*, 376 U.S. at 230; *Bonito Boats*, 489 U.S. at 164-165; pp. 7-9, *supra*. Correctly applied, the functionality doctrine ensures consistency between the Lanham Act and that well-settled body of law. In particular, by deeming useful parts of the invention to be "functional" for purposes of the Lanham Act—thus making them ineligible for perpetual trade dress protection—the doctrine ensures that the Lanham Act does not withdraw from the public domain those features that, as a matter of patent law, are dedicated to the public. There is, moreover, no evidence that the Lanham Act, which was largely designed to consolidate and unify existing common law trademark and unfair competition doctrines, was intended to overturn the result in *Singer* and its progeny by providing federal trade dress protection where patent law otherwise barred it. See *Astoria*, 501 U.S. at 108. See also *United States* v. *Wells*, 519 U.S. 482, 495 (1997) (Court presumes "that Congress expects its statutes to be read in conformity with this Court's precedents"). To the contrary, Representative Lanham indicated that the functionality doctrine would continue to perform its traditional role of ensuring that utilitarian conceptions will not be withdrawn from the public domain as trade dress in contravention of patent-law principles.[5]

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[5] Responding to concerns that trademark law might accord one competitor trade dress rights in a useful design, such as a trademark tire balancer, or the shape of a package that permits it to be shipped by boat or truck, *Trade-marks: Hearings Before a Subcomm. of the Senate Comm. on Patents*, 78th Cong., 2d Sess. 73, 74 (1944), Representative Lanham stated that, "when you get into the matter of functions, you get into the field of patents, and * * * a trademark is not used to indicate functions," *id.* at 74.

In addition, any suggestion that the Lanham Act effectively superseded the patent-law right to copy cannot be reconciled with this Court's decisions in *Sears* and *Compco*, *supra*, which were decided almost two decades after the Lanham Act's passage. In those companion cases, the Court held that patent law pre-empts state unfair competition law insofar as the latter bars copying of unpatented designs, because such designs are, "[u]nder the federal patent laws * * * in the public domain and can be copied in every detail by whoever pleases." *Compco*, 376 U.S. at 237-238; see *Sears*, 376 U.S. at 231-232 (similar). The holdings and "reasoning at the core" of those decisions were subsequently reaffirmed in *Bonito Boats*, 489 U.S. at 156-157, forty years after the Lanham Act's passage. Although respondent argues (Br. in Opp. 6) that *Sears* and *Compco* are distinguishable because they involved *state* unfair competition laws, it is implausible to suppose that this Court would have held a state prohibition on copying to be inconsistent with, and pre-empted by, federal law if a federal statute—the Lanham Act—also would have prohibited copying in those circumstances. Indeed, in *Compco* itself, the Court accepted for purposes of its decision that the prerequisites for Lanham Act protection—secondary meaning and confusion as to source, see 15 U.S.C. 1123—had been met. 376 U.S. at 237 (confusion), 238 (secondary meaning).[6] Moreover, the fact that the result in *Sears* and *Compco* necessarily would affect the scope of Lanham Act protection could hardly have been lost on the Court, since the issue was specifically raised. 62-108 Resp. Br. at 14-15 (arguing that, if the state

[6] Because *Compco* involved a design patent rather than a utility patent, the Court's opinion also expresses concern that functionality analysis might not fully reconcile the scope of trade dress protection with patent-law right-to-copy principles. 376 U.S. at 238. The scope of the right to copy that arises on the expiration of a design patent does not readily correlate with the functionality doctrine, because the subject matter of design patents is, by definition, ornamental and non-functional.

law prohibition on copying were invalid, "it could with the same force be argued that *trademark rights* residing *in the shape or configuration* of an article could not be enforced by a federal court * * * as similarly amounting to the grant of a monopoly in the nature of a patent") (emphasis added).[7]

It is possible to read *Singer*, *Sears* and their progeny as stating a broader rule—as authorizing reproduction of not merely the invention, *i.e.*, those elements that contribute or help make the invention function as intended, but also every jot and tittle of the patentee's product design during the time the product was patented, including wholly arbitrary elements that serve no purpose other than to indicate the product's origin. This Court, however, has cautioned that the "absolutist terms" of some of its early decisions should not be read as foreclosing "*limited* regulation[]" of copying "to prevent consumer confusion as to source." *Bonito Boats*, 489 U.S. at 154 (emphasis added). In our view, where the

[7] Relying on *Compco*'s assertion that the patent-law right to copy extends to products that are not "entitled to a design patent *or other federal statutory protection*," some courts have held that, because the Lanham Act falls under the rubric of "other federal statutory protection," it may be treated as a free-standing *exception* to the patent-law right to copy. *Esercizio* v. *Roberts*, 944 F.2d 1235, 1241 (6th Cir. 1991) (quoting 376 U.S. at 238), cert. denied, 505 U.S. 1219 (1992); *Thomas & Betts Corp.* v. *Panduit Corp.*, 138 F.3d 277, 287 (7th Cir.), cert. denied, 525 U.S. 929 (1998). There is, however, no persuasive evidence that the Lanham Act, by creating a federal trade dress right, was meant to displace the ordinary and longstanding rule that unpatented utilitarian conceptions, as a matter of patent law and the functionality doctrine, cannot be protected in perpetuity as trade dress. See pp. 16-19, *supra*. Moreover, as explained above, the argument cannot be reconciled with *Compco*'s result. It is hard to see how federal patent law would pre-empt state unfair competition law if another federal law—the Lanham Act itself—offered the same protection against copying that state law sought to provide. Finally, it is likewise incorrect to assume that one can "reconcile" the Lanham Act with patent-law principles by sequentially protecting utilitarian features covered by expired patents under patent and then trademark law; such an approach would *defeat* the right to copy unpatented utilitarian conceptions that patent law furnishes.

element alleged as trade dress is only incidentally included in the patent or product, *i.e.*, where the feature is not a utilitarian part of the invention itself, there is no bar to trade dress protection under the Lanham Act. See p. 14, *supra*. The contrary rule would not serve the patent-law purpose of ensuring that the *invention* enters the public domain, and would needlessly undermine the Lanham Act's source-identification goal.[8]

3. Finally, treating expired patent claims as irrefutable evidence of functionality is supported by important policy considerations. First, it enables courts (and competitors) to determine the availability of trade dress protection based on the patent itself (and its enforcement), without extensive proceedings or inquiries. In contrast, the multi-factor tests used by some courts, see note 4, *supra*, often require extensive proceedings and nuanced balancing. That is especially true of the approach, erroneously adopted by some courts, of declining to find functionality in the absence of a showing of competitive "need," see pp. 22-26, *infra*, since questions of "need" are notoriously difficult and require intense factual development, including consideration of alternative designs, consumer preference, and cost.

Avoiding uncertainty and potentially protracted proceedings is especially important due to the strong incentive that patentees often have to extend the term of their exclusive rights. Because competitors may be deterred "not merely by successful suit but by the plausible threat of successful suit," *Wal-Mart*, 120 S. Ct. at 1345, any test that cannot easily be applied and resolved on summary judgment will undermine competition and the patent-law goal of

[8] Similarly, the right to copy an invention upon the patent's expiration would not extend to improvements covered by separate, unexpired improvement patents; the original invention could be copied, but the improvements—even if used during the life of the patent—could not. See also 35 U.S.C. 102(b) (public disclosure does not put unpatented invention in public domain if patent application filed during 1-year grace period).

making all prior art a building block for further technological advances. Consumers "should not be deprived of the benefits of competition with regard to the utilitarian and esthetic purposes that product design ordinarily serves"—or the innovations those designs may be adapted to advance—"by a rule of law that facilitates plausible threats of suit against new entrants" and further innovation. *Id.* at 1344.[9]

Permitting parties to assert exclusive trade dress rights in product features notwithstanding the expiration of a patent covering those features would also "lead to administrative problems of no small dimension." *Bonito Boats*, 489 U.S. at 161. The "federal patent scheme provides a basis for the public to ascertain the status of the intellectual property embodied in any article in general circulation" because "[t]he availability of damages in an infringement action is made contingent upon affixing a notice of patent to the protected article." *Id.* at 161-162. Because Section 43(a) of the Lanham Act, 15 U.S.C. 1125(a), does not require such notices, it would leave competitors with no certain way of knowing, in advance, whether the utilitarian feature they wish to use remains in the public domain.

Finally, viewed in light of the serious adverse impact on competition and innovation, the cost of denying trade dress protection to features covered by an expired patent seems comparatively small. Producers seeking to establish means

[9] For that reason, this Court determined in *Wal-Mart* that producers claiming trade dress protection for product designs must show "secondary meaning," *i.e.*, that the public associates the design with the source, and rejected a multi-factor test for determining whether a design is inherently distinctive. See 120 S. Ct. at 1344-1345. Here, however, proof of secondary meaning is not an effective barrier. The very fact that, because of the patent, only one producer made a particular product for some 20 years will very often cause the public to associate the design (if not the good) with that producer. For the same reason, it may be extraordinarily difficult to determine whether "the primary significance" of the design "in the minds of the consuming public is not the product but the producer." *Kellogg Co.*, 305 U.S. at 118.

by which prospective purchasers may identify their products have almost infinite options at their disposal; there thus is little need for them to rely on the utilitarian features disclosed in their patents. *Vornado*, 58 F.3d at 1510. Here, for example, respondent could have painted its dual-springs with an arbitrary and non-functional pattern, or used a unique badge or logo to distinguish its stand from others. Having failed to do so, it cannot now demand that others refrain from using its no-longer patented invention as a price of competing. In addition, producers can demand that competitors clearly label their products, see, *e.g.*, 1938 Restatement § 742; *Kellogg Co.*, 305 U.S. at 120-121. And respondent did just that, obtaining an injunction against petitioner's use of a descriptive but confusingly similar brand name. See note 1, *supra*. Moreover, the "TrafFix Devices" name appears on all of petitioner's signs. See J.A. 253.

4. Notwithstanding the foregoing, there is a regrettable tendency (based on one reading of the 1995 Restatement) for some courts to define functionality—and thus the scope of trade dress protection under the Lanham Act—as depending solely on whether competitors *need* a feature to compete.[10] The court of appeals here employed that approach, declaring that a configuration is not functional unless it is a "competitive necessity." Pet. App. 20a-21a.

Even if one sets aside the linguistic difficulty inherent in equating "functionality" with "competitive necessity," the approach is inappropriate, especially in the context of an expired patent. As an initial matter, it unmoors functionality from its traditional role of protecting "the principle that there is only one legal source of exclusive rights in utilitarian

[10] See, *e.g.*, *Vornado*, 58 F.3d at 1507 (stating that functionality depends on competitive impact and not on "inherent usefulness"); Restatement (Third) Unfair Competition § 17, at 172 (design functional if it offers benefits that are "important to effective competition" (apart from indicating source) and the benefits "are not practicably available through the use of alternative designs").

features—utility patent law." 1 McCarthy, *supra*, § 7:68, at 7-147; *Qualitex*, 514 U.S. at 164-165 (if "functional features could be used as trademarks * * * a monopoly over such features could be obtained without regard to whether they qualify as patents and could be extended forever"); pp. 9-12, *supra*. If one focuses solely on competitive need, for example, the inventor of a particular type of mousetrap could extend his exclusive rights, initially obtained under patent, into eternity under trade dress law so long as a sufficient number of other effective mouse trap designs are available. *Zip Dee*, 931 F. Supp. at 608. Indeed, in this case, the court of appeals concluded that respondent's clearly functional dual-spring design may be protected as trade dress since petitioner could invent, or obtain a license for, another patented design. Pet. App. 21a. That result strikes at "the very purpose of the patent laws" by preventing inventions claimed in expired patents from becoming "available as the building blocks of further innovation." *Bonito Boats*, 489 U.S. at 151.

Such a result, moreover, would place the Lanham Act in conflict with the principle that, "at least in the case of an expired patent," competitors not only have "a federal right to 'copy and to use,'" *Bonito Boats*, 489 U.S. at 165, but also "the right to make [the invention] in the form in which it was constructed during the patent," *Singer Mfg. Co.*, 163 U.S. at 185. Indeed, it would essentially eliminate that well-established right, except where copying is a competitive "necessity." See 1 McCarthy, *supra*, § 7:68, at 7-148 & n.5, and 7-150 (noting that competitive necessity test creates an unnecessary conflict between trademark and patent-law principles). See also *Vornado*, 58 F.3d at 1510 (acknowledging the conflict and attempting to resolve it); *Zip Dee*, 931 F. Supp. at 608 (same). It is, of course, wholly inappropriate to adopt an approach to functionality that would place two otherwise harmonious statutory schemes at war with each other. Moreover, as explained above (pp. 10-12, 16-19, *supra*), such

an approach cannot be reconciled with the functionality doctrine as it existed when Congress passed the Lanham Act, with other principles of statutory construction, with Congress's evident intent, or with this Court's post-Lanham Act decisions. We therefore agree with the leading treatise that "truncat[ing]" functionality analysis by focusing on competitive necessity alone is "illogical"; instead, at least in the context of expired patents, a feature is functional *either* if protecting it would unduly impede competition *or* it is functional "in the traditional engineering-driven utilitarian sense." 1 McCarthy, *supra*, § 7:68, at 7-148 & n.5; *id.* at 7-150 (explaining that there is "no * * * policy conflict between federal patent policy and trade dress law" so long as courts adhere to "the traditional trade dress definition of 'functionality'").[11]

[11] For the same reasons, it is inappropriate to read the 1998 Lanham Act amendment (which made functionality a bar to registration, 15 U.S.C. 1052(e)(5) (Supp. IV 1998)) and the 1999 amendment (which assigned the burden of proving non-functionality to the party claiming protection, 15 U.S.C. 1125(a)(3) (to be codified)) as making competitive need a prerequisite to functionality. Although the House Report on the latter amendment observes that a "functional feature of trade dress is one that is commonly used by similar businesses, protection of which would hinder competition," H.R. Rep. No. 250, 106th Cong., 1st Sess. 6 (1999), that statement is descriptive rather than definitional, and insufficient in any event to overcome the principle against construing statutes so as to create conflicts between them. Moreover, in the same paragraph, the Report specifically recognizes that functionality should prevent trademark law from intruding on patent-law principles, observing that "[f]unctional marks should be dealt with under patent law." *Id.* at 7. Finally, treating either amendment or its legislative history as ratifying a particular definition of functionality would be especially inappropriate because Congress, when it enacted those amendments, specifically declined to pass a bill—H.R. 3163, 105th Cong., 2d Sess., § 2(c) (1998)—that would have codified a definition for functionality. See *Trademarks Amendments Act of 1999: Hearing Before the Subcomm. on Courts and Intellectual Property of the House Comm. on the Judiciary*, 106th Cong., 1st Sess. 13-14 (1999) (Statement of Michael K. Kirk) (urging House to revive H.R. 3163 to provide "guidance as to when trade dress serves as a source identifier and when it is functional").

Finally, *equating* "functionality" with "competitive necessity" over-reads this Court's decisions. Seizing on this Court's statement that a feature is functional if the inability to copy it puts "competitors at a significant non-reputation-related disadvantage," *Qualitex*, 514 U.S. at 165, the court of appeals emphasized the word "significant" in order to construe the phrase "significant * * * disadvantage" as a competitively disabling disadvantage. Pet. App. 20a-21a. As an initial matter, we do not believe that the Court intended the "significant * * * disadvantage" standard to be the exclusive approach to functionality, given the other articulations of functionality the Court used in *Qualitex*. For example, the Court stated that a feature is functional if "it is essential to the use or purpose of the article *or* if it affects the cost or quality of the article." 514 U.S. at 165, 169 (emphasis added, internal quotation marks omitted). See also *id.* at 162 (functional characteristic "an important" non-reputational "ingredient in the commercial success of the product") (quoting *Inwood Labs.*, 456 U.S. at 863 (White, J., concurring)). The Court's use of a competition-based formulation in *Qualitex*, moreover, appears to have resulted from the fact that that case (like *Inwood Labs.*) involved a trademark color, for which the competitive formulation is particularly useful.[12] Thus, while we agree that competitive

[12] Even though they do not operate like utilitarian parts of a machine, colors may be functional in providing visual cues. For example, using the color orange on a can of soda may be functional because it identifies the contents as being orange-flavored, even though the color does not affect the way the can retains liquid. Focusing on competition in such a case shows the color to be functional because, if other makers of orange soda cannot color their cans orange, they may be competitively disadvantaged in the marketplace. See *Wal-Mart*, 120 S. Ct. at 1344.

necessity proves functionality, the absence of competitive necessity does not itself disprove it.[13]

In any event, *Qualitex* is best understood as using the phrase "significant * * * disadvantage" to indicate a "non-trivial" or "meaningful" non-reputation-related disadvantage. Indeed, the Court specifically indicated that the functionality doctrine was designed to ensure that "useful" product features do not become protected as trade dress in perpetuity in derogation of patent law, 514 U.S. at 164; and it further clarified that the "functionality doctrine * * * protects competitors against a disadvantage (unrelated to recognition or reputation) that trademark protection might otherwise impose, namely, their inability reasonably to replicate important non-reputation-related product features," *id.* at 169. The examples of "functionality" the Court cited likewise indicate that meaningful disadvantage, not competitive necessity, is sufficient to establish functionality.[14]

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[13] Some courts' exclusive reliance on competitive need may have resulted from a misinterpretation of the 1938 Restatement. Comment "a" of that Restatement, after giving a general explanation of utilitarian functionality, noted the doctrine of *aesthetic functionality*, which may apply "[w]hen goods are bought largely for their aesthetic value." After discussing that issue, the Restatement added that the determination in such a case turns on "whether prohibition of imitation by others will deprive the others of something which will substantially hinder them in competition." In context, the competitive hindrance test appears to be an additional way functionality may be found—especially useful in cases of aesthetic functionality—not a *sine qua non* without which functionality can never be found.

[14] The Court, for example, approvingly cited the mode of analysis in a lower court decision holding that the color black, as applied to motor boat engines, was functional because it coordinated well with other colors and minimized the apparent size of the motor; and it similarly cited another holding that the color green was functional on farm machinery, since farmers might want their machinery to match. See 514 U.S. at 169-170.

C. Respondent Is Not Entitled To Trade Dress Protection

Judged by the foregoing standards, respondent's design is not entitled to trade dress protection. Respondent's patents themselves, and respondent's later enforcement of its patent rights, together make it clear that each and every element of respondent's claimed trade dress is a utilitarian part of the patented device that passed into the public domain when the patents expired.

1. Respondent claims "trade dress" protection in a sign stand which has "(a) a relatively narrow base member; (b) a pair of vertically arranged closely spaced coil springs attached to the base member; (c) a plurality of leg members attached to the base member * * * ; (d) an upright member attached to the coil springs; and (e) a sign attached to the upright member." Pet. App. 29a. As the district court observed, the only one of those features that differs from *any* other sign stand is the "pair of vertically arranged closely spaced coil springs." *Id.* at 48a; see also *id.* at 60a ("Every single one of the competitors * * * markets a sign stand with a narrow base, four leg members extending at angles from the base, an upright, and a sign."). But respondent's patents reveal the dual-spring design to be utilitarian because the "two spaced apart spring connections" permit the sign to yield to the wind without "twisting." *Id.* at 18a, 50a; '482 Patent at 4 (claim 1), 1 (summary). See also *id.* at 2 (specification) ("[A]s the frame structure is deflected downwardly, the effective wind force is reduced much in the manner of a sail on a boat coming into the wind.").

The other design elements alleged to be trade dress are also functional. The "base" member element is utilitarian because it provides a "ground-engaging means" to support the "upstanding frame" and "spring structure." '482 Patent at 4 (claim 1).[15] The "plurality of leg members," Pet. App.

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[15] Although respondent's patents do not describe a "narrow" base and show widely spaced springs, respondent has asserted that its patents

29a, prevents the sign from tipping over; indeed, the length of those legs is based on a formula disclosed in the patent. '482 Patent at 5 (claim 1), 4 (specification). The "upright member attached" on top of "the coil springs" is utilitarian because it is necessary to display the sign. And the "sign attached to the upright member" is utilitarian, because displaying the sign is the very purpose of the stand.

At bottom, respondent's alleged trade dress consists of nothing more (or less) than the elements claimed or specified in its patents; respondent's alleged trade dress includes nothing arbitrary, fanciful, or otherwise non-useful beyond the patented device itself. Thus, the product design for which respondent claims trade dress protection is not an article that *incorporates* the patented device. It *is* the patented device. Consequently, when the patents for that device expired, respondent's design fell into the public domain.

2. The court of appeals' contrary analysis does not withstand scrutiny. First, the court of appeals observed that a combination of functional features may itself be non-functional and protected as trade dress. Pet. App. 20a. In the context of an expired utility patent, where each element alleged to be trade dress contributes to the functioning of the invention, that is not true. To the contrary, when the elements alleged as trade dress are part of the patented invention, and together make up the invention, the whole is not merely functional; it is the invention.

Moreover, even outside the utility patent context, a combination or configuration of wholly functional elements will rarely be non-functional unless the particular combination is somehow "arbitrary" and not driven by considerations of

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extend to stands with narrower bases and closely spaced springs as well. See *Sarkisian* v. *Winn-Proof Corp.*, 686 F.2d 671 (9th Cir. 1981). Moreover, it is not disputed that positioning the springs closer together is functional because it makes the stand smaller, lighter, and less costly to manufacture, as the district court expressly found. Pet. App. 54a.

utility, function, or simplicity. 1 McCarthy, *supra*, § 7:76, at 7-177 (citing *Jeffrey Milstein, Inc.* v. *Greger, Lawlor, Roth, Inc.*, 58 F.3d 27 (2d Cir. 1995)); see *Sunbeam Prods., Inc.* v. *West Bend Co.*, 123 F.3d 246, 256 (5th Cir. 1997) ("arbitrary combination of functional features, the combination of which is not itself functional"), cert. denied, 523 U.S. 1118 (1998). In most cases, "the combination of individually functional features will be just as functional as are the parts." 1 McCarthy, *supra*, § 7:76, at 7-177. Here, the patents prove that the combination of elements claimed as trade dress is functional, since all of the elements are part of the invention, and they are combined so as to implement the invention in a straightforward manner. For that reason, it makes no difference that other competitors "avoid emulating" respondent's trade dress by avoiding use of the dual-spring design. Pet. App. 20a. The dual-spring mechanism is, in the end, the most functional and critical feature in the formerly patented invention; it permits the sign to yield to the wind without twisting. Once the patents expired, respondent lost the right to exclude competitors from using that clearly functional feature; that right to exclude cannot be resuscitated under the rubric of trade dress protection.

For similar reasons, the court of appeals erred by speculating that competitors might be able to use a tri-spring or quad-spring mechanism, or a hidden two-spring mechanism. Pet. App. 19a-20a. Manifestly, altering the number of springs or requiring the construction of a (flexible) housing to hide the springs would undermine the product's simplicity of design, size, and cost. Nor, apparently, did respondent offer in district court to meet the burden of proving otherwise. See 15 U.S.C. 1125(a)(3) (assigning burden of establishing non-functionality on party seeking trade dress protection). In any event, if the market could be permanently balkanized by claims to particular functional designs (two springs versus three, three versus four), an extremely limited number of companies could utilize the invention.

That would undermine the patent-law goal of ensuring that inventions, upon expiration of patent protection, become publicly available building blocks for further innovation.

Alternatively, the court of appeals suggested that petitioner, if it uses the dual-spring design, must avoid the four other elements claimed as trade dress (straight legs, a short member connecting the legs and the springs, a member above the springs, and the sign), Pet. App. 19a-20a, even though those elements are common to the sign stands made by every one of respondent's competitors, *id.* at 48a, 60a. In particular, the court suggested that petitioner (uniquely among competitors) must avoid wholly generic design features such as straight legs and instead adopt an arbitrary design using curved legs, dual support members, an A-frame support member, or some other fanciful gloss *if* it uses the dual-spring mechanism. But the straightforward design of those four other features is also functional, and the court of appeals' proposed alterations—curved legs or multiple or A-shaped support members—would negatively affect the simplicity of design and the cost of production. More fundamentally, the court of appeals' approach puts the shoe on the wrong foot. Simply put, respondent cannot rely on the most critical feature of its public domain invention (the dual-spring mechanism) as the only thing that distinguishes its sign stand from any other, and then demand that competitors adopting the invention incorporate essentially arbitrary and unique features to set their sign stands apart. If respondent wishes to claim a design as trade dress, respondent has the burden of setting *its own* design apart from the merely functional.

CONCLUSION

Accordingly, the judgment of the court of appeals should be reversed.

Respectfully submitted.

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